1943

L. Electric/43

Legal Department

E Branch.

Electric Licenses

Scrutiny of — under Sections 3 and 28 of the Indian Electric Act

L. Electric/43

119-E

GOVERNMENT
DEPARTMENT
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BOMBAY

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The Bagalkot Electric License, 1932.
Assignment to Mr. Kenchangouda alias Babasaheb Sangappa Sirdesai of Rakkasagi, Bijapur, of —.

GOVERNMENT OF BOMBAY.

PUBLIC WORKS DEPARTMENT.

Resolution No. 5202/36.

Bombay Castle, 10th June 1943.

Letter, dated the 20th April 1941, from Mr. C. D. Arballi, B.A., LL.B., Receiver appointed in Civil Suit No. 119 of 1937, filed in the Court of the First Class Sub-Judge, Bijapur, by one of the partners of the firm of Messrs. Gugwad and Company, Bagalkot :—

" 1. A license was given by the Government on 14th November 1932, in the name of the ' Bagalkot Electric License, 1932 ', to the Bagalkot Electric Supply Company (former Proprietor Mr. Narayan Dattatraya Nerurkar).

" 2. The said Bagalkot Electric License, 1932, was assigned on 12th March 1934, to Messrs. Gugwad and Company after previous consent of the Government under section 9, sub-section (2) of the Indian Electricity Act.

" 3. A hitch having arisen among the members of the Firm of Messrs. Gugwad and Company, a Civil Suit No. 119 of 1937 was filed in the First Class Court at Bijapur. The said Court has dissolved on 9th April 1941, the said Firm.

" 4. The said Court has appointed me as its Receiver on 9th April 1941, and has ordered me to take possession of the said Firm, manage and wind it up.

" 5. I, therefore, apply under section 9 (2) of the Act to sell the said License and the undertaking thereof, etc., and it is therefore submitted, you will give me the permission and consent to do the same so that, I may be able to wind the said Company in a reasonable time.

" 6. A copy of the said order to me of the said Court has been attached herewith."

Government letter, No. 5202/36-M, dated the 11th June 1941, to Mr. C. D. Arballi, B.A., LL.B., Receiver, Bagalkot Electric License :—

" With reference to your letter No. 15, dated the 20th April 1941, I am directed to state that the party to whom the Bagalkot Electric License, 1932, and the undertaking are to be sold and who will be the next licensee, should be in a position to exercise the powers and perform the obligations imposed under the license. I am therefore to request you kindly to report the name of the party in question so that Government may satisfy itself as to his financial stability and his suitability to hold the license.

Your reply may please be submitted through the Collector of Bijapur."

Letter from Mr. Kenchangouda alias Babasaheb Sangappa Sirdesai of Rakkasagi, Bijapur, dated the 4th December 1942 :—

" The Bagalkot Electric Supply Company forms part of registered partnership Firm under the name and style ' Messrs. Gugwad and Company '. The said Firm has obtained a licence from the Government of Bombay to supply electric energy to the town of Bagalkot. The area of supply has already been specified and the conditions of license have already been settled as per Government order granting the license to the said Firm in the year 1932.

Since then the Firm has scrupulously carried out the conditions of the license in the matter of supplying electric energy to the town of Bagalkot and also in the other matters pertaining to the Licence.

A dispute arose between the partners of the Firm in or about the year 1937 and a civil suit was filed by one of the partners—Danappa Malikarjunappa Talikoti—in Civil Suit No. 119 of 1937 in the First Class Subordinate Judge's Court, Bijapur. The suit was for dissolution of partnership and accounts. During the pendency of the suit, Mr. Arballi, Pleader, Bijapur, was appointed Receiver by the said Court to look after the management and affairs of the Firm of Messrs. Gugwad and Company which originally comprised only Ginning and Pressing Factory business and later on including the Bagalkot Electric Supply Company as its own branch business.

Subsequently as per order of the said Court, the whole concern was put to auction on 30th November 1942, when the Court was personally present on the spot and out of the many bids offered at the time, final bid was offered by me for Rs. 2,27,000 and it was knocked down in my name.

In this way I am purchaser of the right, title and interest of whole Firm including the Bagalkot Electric Supply Company. I have thus stepped in the shoes of the original proprietors and licensees of the said Firm.

Now I have the honour to request you to be so good as to transfer the license granted to the Firm ' Messrs. Gugwad and Company ' under section 9 (2) of the Indian Electricity Act. The license may be allowed to be transferred to me subject to the same conditions laid down in the previous license. As regards the area of supply and other details included in the original license, no change is at present contemplated.

Since the Electric Supply Company is a public utility concern, it is but meet that I should apprise Government of my solvency in taking over and running the concern without any hindrance to the public safety and convenience.

I beg to bring to the kind notice of Government that I am a Paragana Watandar of Rakkasagi and Amarawati in Hungund taluka, of Bijapur District. Ours is an ancient Watan being enjoyed by me and my ancestors continuously for four centuries and more. As Inamdar of Rakkasagi, I hold entire four Inam villages and Chavarat lands in 52 villages in Hungund taluka, consisting of 25,000 acres of land. I have given my son in adoption to my natural father—since deceased—and as my son is a minor I am managing his estate which consists of four villages in Bijapur District and four villages in His Exalted Highness the Nizam's Dominions consisting of 20,000 acres and net income of both the estates is Rs. 35,000 and Rs. 20,000 respectively. I need not submit that I am ready and willing to abide by all the conditions attaching to the original grant of license.

Under these circumstances, I pray that the original licensees namely ' Messrs. Gugwad and Company ' may kindly be permitted to transfer their license to me under section 9 (2) of the Indian Electricity Act, since I am the purchaser of the said concern in public auction held on 30th November 1942.

It is my individual concern and I wish to run it in the following name and style :—

' VENKATESH POWAR WORKS, BAGALKOT ,

and request that the license may kindly be transferred in that name.

For which act of kindness, I shall ever pray."

Endorsement on the above No. 1555, dated the 4th December 1942, by the First Class Sub-Judge, Bijapur :—

" Forwarded with compliments, through the Collector, Bijapur, for favourable consideration.

The applicant purchased the property concerned for Rs. 2,27,000, the sale being held in my presence on 30th November 1942. His request contained in the application may be granted. Regarding the applicant's solvency it is sufficient to say that he is a big landlord owning considerable property yielding a very large income every year."

Endorsement on the above by the District Magistrate, Bijapur, No. P.O.L., dated the 5th December 1942 :—

" Forwarded with compliments to the Deputy Secretary to the Government of Bombay (Public Works Department), Bombay.

" 2. The applicant is a Paragana Watandar in the district holding 4 entire Inam villages and Chourat lands in many other villages with an annual income of about Rs. 35,000. He is sufficiently solvent to run the concern efficiently and there appears no objection to transfer the license in his name."

Read Government letter, No. 5202/36-M, dated the 1st February 1943, to Shrimant Kenchangouda alias Babasaheb Sangappa Sirdesai of Rakkasagi.

Government letter, No. 5202/36-M, dated the 1st February 1943, to Mr. C. D. Arballi, Receiver appointed by the First Class Sub-Judge Court, Bijapur :—

" With reference to your letter No. 428, dated the 26th December 1941, I am directed to state that Government proposes to give the necessary consent to the assignment of the license mentioned above in the accompanying form of memorandum to be endorsed on the original license. I am to enquire whether you have any remarks to make. The original license may please be sent to Government along with your reply. It will be returned to you when the memorandum of consent has been endorsed thereon."

Read letter, dated the 23rd April 1943, from Mr. C. D. Arballi, B.A., LL.B., Receiver, in Bijapur Civil Suit No. 119 of 1937, for Messrs. Gugwad and Company.

Letter from the Electrical Commissioner with the Government of India, No. El.C. 2/217-N, dated the 30th April 1943 :—

" I have the honour to attach hereto copy of letter No. 204 of 1943, dated the 3rd February 1943, received from Mr. C. D. Arballi, Receiver in Bijapur Civil Suit No. 119 of 1937, for Messrs. Gugwad & Company, Bagalkot, together with copy of letter from Sardar K. S. Sirdesai, Bijapur, to Mr. C. D. Arballi, Pleader and Receiver, Bijapur, which forms an enclosure thereto.

" 2. With the letter under reference was also a copy of Mr. C. D. Arballi's letter No. Nil, dated 3rd February 1943, addressed to you. For obvious reasons the copy of this letter is not sent herewith.

" 3. It would appear from the correspondence that the Bagalkot undertaking having been sold, Mr. C. D. Arballi is not clear as to the line of action he should now take as he has asked both the Bombay Government and the Electrical Commissioner to grant permission for the transfer of the Bagalkot Electrical License, 1932.

" 4. It is presumed that he requires the authority of the Electrical Commissioner under Labour Department Notification No. A. 826, dated the 9th April 1942, to dispose of the plant of the present licensee.

" 5. Before the Electrical Commissioner grants this authority, I would request that the Government of Bombay may please advise me of their intentions regarding the assignment of this License to Shreemant Sardar K. S. Sirdesai, Rakkasagi of Bijapur."

Government letter, No. 5202/36-M, dated the 8th May 1943, to Electrical Commissioner with the Government of India :—

" With reference to your letter No. El.C. 2/217-N, dated the 30th April 1943, I am directed to state that the Bagalkot Electric License was originally granted to one Mr. N. D. Nerurkar who subsequently assigned it to Messrs. Gugwad & Company, Bagalkot. The Company has been dissolved and its assets including the electricity concern were purchased by Sardar K. S. Sirdesai at the auction sale held by the Receiver on the 30th November 1942. This Government after satisfying itself that Sardar K. S. Sirdesai is in a position to exercise the powers and perform the obligations imposed under the license and that he is sufficiently solvent to run the concern efficiently has decided to give its consent to the assignment and transfer of the electric license and its undertaking to Sardar K. S. Sirdesai in the accompanying form of memorandum of consent to be endorsed on the original license. The Receiver as the present licensee has accepted the terms in the memorandum of consent."

Letter from the Electrical Commissioner with the Government of India, No. El.C. 2/217-N, dated the 20th May 1943, to Mr. C. D. Arballi, B.A., LL.B., Pleader and Receiver :—

" With reference to your letter No. 204 of 1943, dated 3rd February 1943, and in continuation of this office letter reference El.C. 2/217-N, dated the 30th April 1943, having reference to the grant of authority to you to dispose of the plant comprising the Bagalkot Electric Supply Undertaking.

" 2. In terms of the Government of India Notification No. A. 826, dated the 9th April 1943, sanction is hereby accorded to you in the capacity of Receiver appointed in Civil Suit No. 119 of 1937, filed in the Court of the First Class Sub-Judge, Bijapur, by one of the partners of the firm of Messrs. Gugwad & Company, Bagalkot, to dispose of the electrical plant comprising the Bagalkot Electric Supply Undertaking to Mr. Kenchangouda alias Babasaheb Sangappa Sirdesai of Rakkasagi, Bijapur, carrying on business under the name and style of ' Venkatesh Power Works, Bagalkot ' in the Province of Bombay subject to the performance by the said Mr. Kenchangouda Sirdesai of the obligations imposed upon him under the Bagalkot Electric License, 1942."

RESOLUTION.—The Government of Bombay is pleased to consent under the provisions of sub-section (*2*) of section 9 of the Indian Electricity Act, 1910, to the assignment and transfer by Mr. C. D. Arballi, B.A., LL.B., the Receiver appointed in the Civil Suit No. 119 of 1937 filed in the Court of the First Class Sub-Judge, Bijapur, by one of the partners of the firm of Messrs. Gugwad and Company, Bagalkot, the present holder of the Bagalkot Electric License, 1932, of the said license and of the whole of the said licensee's undertaking in respect of the said license (including all lands, buildings, works, materials and plant) by way of sale to Mr. Kenchangouda alias Babasaheb Sangappa Sirdesai. An engrossment in the following form should be made on the original license :—

" GOVERNMENT OF BOMBAY.

PUBLIC WORKS DEPARTMENT.

MEMORANDUM OF CONSENT.

No. 5202/36, dated 1943.

Under the provisions of sub-section (*2*) of section 9 of the Indian Electricity Act, 1910 (IX of 1910), (hereinafter referred to as ' the said Act '), the Government of Bombay is pleased to consent to the assignment and transfer by Mr. C. D. Arballi, B.A., LL.B., the Receiver appointed in Civil Suit No. 119 of 1937 filed in the Court of the First Class Sub-Judge, Bijapur, by one of the partners of the firm of Messrs. Gugwad and Company, Bagalkot (hereinafter referred to as ' the said licensee '), as the present holder of the Bagalkot Electric License, 1932 (hereinafter referred to as ' the said license '), of the said license and of the whole of the said licensee's undertaking in respect of the said license (including all lands, buildings, works, materials and plant) (hereinafter referred to as ' the said undertaking '), by way of sale to Mr. Kenchangouda alias Babasaheb Sangappa Sirdesai of Rakkasagi, Bijapur, carrying on business under the name and style of ' Venkatesh Power Works, Bagalkot ' in the Province of Bombay, subject to the performance by the said Mr. Kenchangouda Sangappa Sirdesai, of the obligations imposed upon the said licensee and to all the rights of the Government under the said license, the said Act and the rules made thereunder.

Provided always that the consent hereby given shall not authorise any future assignment of the said license or the transfer of the said undertaking or any part thereof, without a fresh consent in writing of the Government of Bombay.

By order of the Governor of Bombay,

Secretary to Government."

2. The Secretary to the Government of Bombay Public Works Department, is authorised to sign on behalf of Government the engrossment of the memorandum of consent to be endorsed on the license.

3. The following letter should be addressed to Mr. C. D. Arballi, B.A., LL.B., Receiver appointed by the First Class Sub-Judge Court, Bijapur :—

"With reference to your letter, dated the 23rd April 1943, I am directed to return herewith the Bagalkot Electric License, 1932, with the requisite memorandum of consent engrossed thereon. Its receipt may please be acknowledged."

By order of the Governor of Bombay,

C. G. KALE,
Deputy Secretary to Government.

G. R., No. 5202/36, P. W. D., dated the 10th June 1943.

To

The Commissioner, Southern Division.
The Collector of Bijápur.
The Superintending Engineer, Southern Circle.
The Electrical Engineer to Government.
The Executive Engineer, Bijapur Division.
The Executive Engineer, Electrical Division.
The Accountant General, Bombay.
Mr. C. D. Arballi, B.A., LL.B. (by letter).
The Solicitor to Government.

No. of 1943.

Copy forwarded for information and guidance to